S. HRG. 101-954

MICHAEL J. BAYER NOMINATION

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

ON

NOMINATION OF MICHAEL J. BAYER TO BE FEDERAL INSPECTOR, THE ALASKA NATURAL GAS TRANSPORTATION SYSTEM

OCTOBER 19, 1990

Printed for the use of the
Committee on Energy and Natural Resources

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S311-4

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MICHAEL J. BAYER NOMINATION

FRIDAY, OCTOBER 19, 1990

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 2:30 p.m., in room SD-366, Dirksen Senate Office Building, Hon. Conrad Burns, presiding.

OPENING STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM MONTANA

Senator BURNS. The committee will come to order. This hearing is on President Bush's nomination of Michael Bayer to be Federal Inspector of the Alaska Natural Gas Transportation System.

Without objection, the written testimony of each witness, the Committee questionnaire and financial disclosure statements will be submitted for the record.

Mr. Bayer, the rules of the Committee, which apply to all nominees, require that they be sworn in connection with their testimony. Would you please rise and raise your right hand?

[Whereupon, Michael J. Bayer was duly sworn by Senator Burns.]

Senator BURNS. You may be seated.

Before you begin your statement, I would like to ask you three questions addressed to each nominee before this committee. Will you be available to appear before this committee and other congressional committees to represent departmental positions and respond to issues of concern to the Congress?

Mr. BAYER. I will.

Senator BURNS. Are you aware of any personal holdings, investments or interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Mr. BAYER. Mr. Chairman, my interests, personal holdings and other investments have been reviewed by myself and the appropriate ethics counselors within the Federal Government. I have taken appropriate action to avoid any conflicts of interest, and there are no conflicts of interest or appearances thereof to my knowledge.

Senator BURNS. Are you involved or do you have any assets held in blind trust?

Mr. BAYER. No, sir, I do not.

Senator BURNS. Mr. Bayer, I would like to welcome you to this committee. We are here today to consider Mr. Bayer's nomination to be the Federal Inspector of the Alaska Natural Gas Transporta-

tion System. Mr. Bayer has served as Deputy Assistant Secretary at the Department of Energy, counselor to the U.S. Synthetic Fuels Corporation, and, from 1985 to 1989, manager of the Washington operations for the Panhandle Eastern Corp.

In this era of foreign uncertainty, we need to move ahead with the development of domestic fuel infrastructure, and Mr. Bayer is qualified for this important position. I also support his nomination and his installation into this office.

I would ask unanimous consent that a statement from Senator McClure be entered into the record.

[The prepared statement of Senator McClure follows:]

PREPARED STATEMENT OF HON. JAMES A. MCCLURE, U.S. SENATOR FROM IDAHO

Good afternoon. I would like to begin by welcoming to the committee today Mr. Michael Bayer, the President's nominee to be federal inspector of the Alaska Natural Gas Transportation System.

Mr. Bayer began his career in Washington, D.C. as a senior advisor and counsel to Congressman Brown of Ohio from 1977 to 1981. He then served as deputy assistant secretary for congressional affairs at the Department of Energy (1981-82), associate deputy secretary, Department of Commerce (1982-83), political consultant (1983-84), and counselor to the U.S. Synthetic Fuels Corporation (1984-85). Since 1985, he has served as manager of Washington Operations for Panhandle Eastern Corporation.

Mr. Bayer holds a J.D. from Capital University School of Law in Ohio, and an M.B.A. and B.S. in international economics from Ohio State University.

Mr. Bayer's experience in Federal Government, the Congress, and the private sector qualify him for the position of Federal Inspector for the Alaska Natural Gas Transportation System; and I support his nomination.

Senator BURNS. I would hear your statement at this time, Mr. Bayer.

STATEMENT OF MICHAEL J. BAYER, FEDERAL INSPECTOR, ALASKA NATURAL GAS TRANSPORTATION SYSTEM

Mr. BAYER. Thank you, Mr. Chairman and members of the Committee.

I am grateful for the opportunity to have this chance to sèrve as the President's Federal Inspector of the Alaska Natural Gas Transportation System, and especially given your busy calendar I appreciate that you, Mr. Chairman, the Chairman, Senator Johnston, and Senator McClure were willing to hold this confirmation hearing on such short notice.

I am excited about the opportunity to work with Secretary Watkins and Deputy Secretary Moore on the many issues facing their department, and, if recommended by this committee and confirmed by the Senate, I look forward to the opportunity to serve as the Federal Inspector of the Alaska Natural Gas Pipeline.

Mr. Chairman, current events demonstrate the volatility of our reliance on unstable energy sources, and the reduction of our reliance on these sources is a major priority of the Bush administration. The President, Secretary Watkins and Deputy Secretary Moore share this important goal and have worked hard to reestablish the orientation and mission of the Department of Energy to fulfill its responsibilities.

They have undertaken a major review of energy options and will soon submit the results to the President so that the right choices for a national energy strategy for the 1990's can be made. The prudent and environmentally-safe development of our domestic energy

resources will be a major component of this strategy, and I am confident it will include important Alaskan energy resources.

In this uncertain time, a strong domestic energy industry and a secure and stable energy supply have taken on an added importance. My previous energy experiences, as you have noted, with Panhandle Eastern, as well as the United States Synthetic Fuels Corporation, and, earlier still, at the Department of Energy, have provided me with a real appreciation for the prudent development of our energy resources.

The North Slope of Alaska is estimated to hold over 26 trillion cubic feet of proven reserves, with all of Alaska estimated to hold upwards of 107 trillion cubic feet of recoverable natural gas. I believe that access to this important domestic resource will genuinely enhance this nation's energy security. As Federal Inspector, I would be committed to the efficient development of this resource, and this would mean working with the project sponsors and maintaining a readiness for the remobilization of activities in bringing this resource to market.

I believe as Federal Inspector I can help utilize this important natural national resource efficiently and in an environmentally-sound manner, all to add to our national energy security. I believe in the importance of the Alaska natural gas resource, both to the State of Alaska and the Nation, and I would plan to utilize the oversight, enforcement, and other authorities and responsibilities of my position, as well as my direct reporting relationship with the President, to ensure this resource gets to market.

I look forward to working with the Congress, the various Federal agencies, the State of Alaska, and its Congressional delegation, pipeline officials, and the Canadian Government. I will dedicate my efforts to ensure prompt, coordinated decisionmaking in required authorizations, enforcement activities, and cost controls.

Mr. Chairman, I look forward, if confirmed, to working with the members of this committee on this important issue, which holds great promise to make our economy stronger, more secure, and further improve our quality of life.

Thank you.

Senator BURNS. Mr. Bayer, thank you for your statement.

I just have to apologize that you are coming before this committee in such a time before Congress is just about to let out and the pressing business not only in this Committee but also in the floor through appropriations and this type thing, that we are spread pretty thin today. So I apologize for maybe shortening your hearing.

We do have some questions. I would ask you if you would be available to answer those questions by mail, if other members of this Committee should have them.

Mr. BAYER. I would be most happy to, Mr. Chairman.

Senator BURNS. We appreciate that very much because we realize it is a little unhandy for you, but nonetheless I hope you appreciate the time of the year in which we are operating.

Mr. BAYER. I do very much, Senator.

Senator BURNS. Any questions for the record should be submitted before 5 this afternoon, and I would imagine that you can expect to hear from the rest of the Committee members.

I would heartily represent myself at this time to recommend this appointment, and I thank you for coming this afternoon.

Mr. BAYER. Thank you very much, Mr. Chairman.

Senator BURNS. This meeting is adjourned.

[Whereupon, at 2:39 p.m., the hearing was adjourned.]

APPENDIXES

APPENDIX I

Informational Statement of Michael J. Bayer

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Bayer (LAST) Michael (FIRST) Joseph (OTHER)

Position to which nominated: Federal Inspector for the Alaska Natural Gas Transportation System Date of nomination: October 4, 1990

Date of birth: August 2, 1947 (DAY) (MONTH) (YEAR) Place of birth: Dayton, Ohio

Marital status: married Full name of spouse: Dr. Barbara Moore Bayer

Name and ages of children: Alexander 8; Andrew 3

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Ohio State University	9/65 - 12/66	none	———
Ohio State University	9/70 - 6/73	B.S.	6/73
Ohio State University	6/73 - 6/77	MBA	6/77
Capital University	9/73 - 6/77	J.D.	6/77

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

Counsel, U.S. House of Representatives - Washington, 11/77 - 1/80

Executive Assistant, Congressman Brown (Ohio), Washington, 1/80 - 4/81

Deputy Asst. Sec., Dept. of Energy, Washington, D.C., 4/81 - 5/82

Assoc. Deputy Sec., Dept. of Commerce, Washington, D.C., 5/82 - 9/83

Consultant, Reagan-Bush Campaign/RNC - Washington, D.C., 12/83 - 11/84

Counsellor, U.S. Synthetic Fuels Corp., Washington, D.C., 11/84 -11/85

Mgr. of Fed. Affrs., Panhandle Eastern Corp., Washington, D.C., 11/85 - 12/89

Counsellor, President's Commission on Aviation Security and Terrorism, 1/90 - 7/90

1

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

5/67 - 7/70 U.S. Army, 1LT, Honorable

12/70 - 7/77 Ohio Army National Guard, Captain, Honorable

12/77 - Present, D.C. Army National Guard, Colonel

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
Board of Visitors - West Point	1/85 - 12/88	Member
Source Theater - Washington	1/86 - present	Chairman of Board
National Guard Association	1/72 - present	Vice Chairman, Long Range Planning Committee
National Press Club - Washington	1/86 - present	Member
University Club - Washington	1/86 - 1/90	Member
Potomac Boat Club - Washington	6/86 - present	Member
American/D.C./Ohio Bar Association	1/78 - present	Member
John Connoll Society - Washington	1/88 - present	Member

Published writings:

List the titles, publishers and dates of any books, articles, or reports you have written.

Report of the President's Commission on Aviation Security and Terrorism, May 1990.

Lightening the Load on the Commander, Infantry Magazine, Nov-Dec. 1987

The NGAUS Strategic Plan, Jan 1989

Techno Politicos, Regardies Magazine, Nov 1986

Computerized Opposition Research, Campaigns & Elections, Spring 1985

Making the Government Work: Executive Legislative Reform Center for Strategic and International Studies, Spring 1984

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

N/A

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

None

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

N/A

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

I am entitled to receive an ERISA pension of less than $500.00 per month at the age of 65 from my previous employment with Panhandle Eastern Corporation.

3. Are you currently a party to any legal action? If so, describe its nature and status.

I am a defendant in a defamation action captioned KENNEALLY-VS-BAYER, Civil No. RO90-1707 (D.Md.) My motion to dismiss or for summary judgement in the action is pending.

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No

Potential conflicts of interest:

1. **List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.**

Vested ERISA pension interest from Panhandle Eastern Corporation, based upon previous employment.

2. **Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.**

See #3 below

3. **Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.**

From November 1985 through December 1989, I served as a Washington Representative for Panhandle Eastern Corporation. As such on behalf of that company, I represented it's interests on a variety of routin legislative and administrative issues. During the period, I was principally engaged in information gathering for the corporate offices in Houston.

4. **Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?**

Yes

Potential conflicts of interest—Continued

5. **Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.**

If confirmed, I will recuse myself from participation in any particular matters the outcome of which could have a direct and predictable effect upon any of my financial interests, including my ERISA from Panhandle Eastern Corp.

6. **Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.**

I will consult with appropriate Government officials to avoid any potential conflict of interest before they arise or resolve any potential conflict that may arise.

Public disclosure: **Do you have any objections to this form and the attachments thereto being made public?**

No

DISTRICT OF COLUMBIA) ss

AFFIDAVIT

I, Michael I. Bayer, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

(Signature of Nominee)

Subscribed and sworn to before me this 10th day of October, 19 90

Notary Public

My Commission Expires November 14, 1994

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1987—67-074

DOE F 1325.8 (8-89)

United States Government | Department of Energy

memorandum

DATE: OCT 10 1990

REPLY TO ATTN OF: GC-43

SUBJECT: Statement of Agency Ethics Official for Senate Committee

TO: Michael J. Bayer

This memorandum is intended to serve as a statement from the designated agency ethics official, as required by the United States Senate Committee on Energy and Natural Resources in connection with your nomination for the position of Federal Inspector for the Alaska Natural Gas Transportation System.[1] I have reviewed your Standard Form 278 (Financial Disclosure Report) dated September 10, 1990, and have certified that the information contained therein discloses no conflict of interest under applicable laws and regulations.[2]

Section 208, title 18, United States Code, prohibits you from participating personally and substantially, as a Government employee, in any particular matter in which, to your knowledge, you or your spouse, minor child, partner, organization in which you are serving as officer, director, trustee, partner, or employee, or any person or organization with whom you are negotiating or have any arrangement concerning prospective employment, has a financial interest. Accordingly, you should avoid participation in any particular matter the outcome of which could have a direct and predictable effect on any such financial interests.

You indicated on Schedule A of your Standard Form 278 (Financial Disclosure Report) that you have a vested pension interest in Panhandle Eastern Corporation, based on your former employment with that company.

The Office of the Federal Inspector Employee Standards of Conduct Regulation (10 C.F.R. Part 1506) prohibits an employee from having a financial interest that conflicts substantially

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[1] By a Memorandum of Understanding between the Department of Energy and the Office of the Federal Inspector, effective October 11, 1985, the Department of Energy agreed to provide legal and other services to the Office of the Federal Inspector.

[2] Section 201(b) of the Ethics in Government Act (Pub. L. No. 95-521) requires the income and honoraria information on your form to be updated within five days prior to the date of the Committee hearing to consider your nomination.

with his or her Government duties and responsibilities, and from owning securities of any company which owns and produces gas to be transported through the Alaska Natural Gas Transportation System (10 C.F.R. § 1506.207(a) and (b)). Although we understand that financial interests in Panhandle Eastern Corporation are included in this prohibition, subsection (g) provides an exception from the prohibition of paragraphs (a) and (b) of section 1506.207 for an employee's continued participation in a bona fide pension, retirement, group life, health, or accident insurance plan or other employee welfare or benefit plan that is maintained by a business or nonprofit organization of which he is a former employee. This office has determined that your vested pension interest in Panhandle Eastern Corporation falls within this exception, and thus does not constitute a prohibited financial interest under the Regulation.

To avoid any suggestion of a conflict of interest, you have agreed, for the duration of your service as Federal Inspector for the Alaska Natural Gas Transportation System, not to participate, as a Government employee, in any particular matter in which Panhandle Eastern Corporation is involved.

Please let me know if I may be of further assistance.

Ralph D. Goldenberg

Ralph D. Goldenberg
Assistant General Counsel
for General Law

Department of Energy
Washington, DC 20585

OCT 10 1990

Mr. Stephen D. Potts
Director
Office of Government Ethics
1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

Dear Mr. Potts:

This letter transmits to you, in accordance with 5 C.F.R. § 734.604(c)(2)(iii), a copy of the Standard Form 278, "Financial Disclosure Report," filed by Michael J. Bayer incident to his nomination to the position of Federal Inspector for the Office of the Federal Inspector of the Alaska Natural Gas Transportation System. A position description is attached to the form.

I have also enclosed a copy of the statement provided to Mr. Bayer, advising him of statutory and other restrictions applicable to his anticipated service as the Federal Inspector. This advice is based upon a review of the interests disclosed in his Standard Form 278.

I encountered no problems in reaching the conclusions upon which my certification on the form is based.

Sincerely,

Ralph D. Goldenberg
Assistant General Counsel
for General Law

Enclosures

SF 278 (Rev. 1/87)
5 CFR Chapter XVI
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. 3209-0002

Reporting Status (Check Appropriate Box)			Agency Use Only	OGE Use Only	Date of Appointment, Candidacy, Election or Nomination (Mo., Day, Yr.)	Termination Date (If Applicable) (Month, Day, Year)
☐ Incumbent	☒ New Entrant, Nominee, or Candidate	☐ Termination Filer	SEP 10 1990			

Reporting Individual's Name	Last Name: BAYER	First Name and Middle Initial: Michael J.
Position for Which Filing	Title of Position: Alaskan Natural Gas Pipeline Inspector	Department or Agency (If Applicable):
Location of Present Office	Address (Number, Street, City, State and ZIP Code): 9212 Farnsworth Court, Potomac, MD 20854	Telephone No. (Include Area Code): 301-365-5071
Position(s) Held With the Federal Government During the Preceding 12 Months (If Same as Above)	Title of Position(s) and Date(s) Held: Counsellor, President's Commission on Aviation Security and Terrorism 1/90-6/15/90	
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination: Energy	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☐ No

Certification	Signature of Reporting Individual	Date (Month, Day, Year)
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	[signature]	10 September, 1990
Other Review (If desired by agency)	Signature of Other Reviewer	Date (Month, Day, Year)
Agency Ethics Official's Opinion	Signature of Designated Agency Ethics Official Reviewing Official	Date (Month, Day, Year)
The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Ralph B. Jorgensen	10/10/90
Office of Government Ethics Use Only	Signature	Date (Month, Day, Year)

Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)

See 10/10/90 Statement of Agency Ethics Official pr Senate Committee

(Check box if comments are continued on the reverse side) ☐

278-1-0

NSN 7540-01-6 3 [illegible]

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A (except for BLOCK D), C, and D. (Candidates do not file Part II of Schedule D.

- **Schedule A**—The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

SEP 10 1990

Reporting Individual's Name: BAYER, Michael J.

Assets and Income — Page Number 2 — Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			BLOCK B Valuation of Assets							BLOCK C Income																BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)										If yes, complete Schd. B Part I for these assets (including those held for a term.)	
			None (or less than $1001)	$1,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
S or DC	Example:	X Y Z Common Doe Jones & Smith, Hometown, USA			X		X		X						ptnrship income			X						$50,000		X	
1 J	Shearson Lehman Hutton Wash., DC U.S. Govt. obligations						X				X									X							
2 S	IRA-Treasury Bonds				X											X											
3 S	IRA-U.S. Treasury-Strips				X											X											
4	IRA-Series K U.S. Treasury					X										X											
5	IRA-Series I Treasury Bond				X											X											
6	IRA-U.S. Treasury-Strips			X												X											
7	IRA-U.S. Treasury-Strips				X											X											
8 J	Charles Schwab, Wash., DC Money Market Acct.			X							X						X										
9	Panhandle Eastern Houston, TX														Salary									$113,000			
10	Panhandle Eastern Houston, TX														Severance & Vacation pay									$145,~~000~~ 23,913			

PREVIOUS EDITION USABLE

SEP 10 1990

Reporting Individual's Name	Assets and Income	Page Number	Schedule
BAYER, Michael J.		3	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA accounts, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets	BLOCK C Income	BLOCK D Transactions Test

Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐

			Category of Value (X)								Type of Income (X)							Category of Amount of Income (X)																Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Sched. D Part I for these assets held for > 1 mo.	
			None (or less than $1001)	$1,001 $15,000	$15,001 $50,000	$50,001 $100,000	$100,001 $250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101 $1,000	$1,001 $2,500	$2,501 $5,000	$5,001 $15,000	$15,001 $50,000	$50,001 $100,000	Over $100,000			YES	NO
	Example	X Y Z Common			X				X									X																		
DC		Doe Jones & Smith, Hometown, USA			X										partnership income																			$80,000			
1		Panhandle Eastern, Houston, Retirement Plan	TX		X										Vested pension	X																					
2		Panhandle Eastern Employee stock options-sold 1/90										X											X														
3		Panhandle Eastern Executive Deferred compensation (1/90)													Deferred compensation																			2/1 $8,000			
4	S	Georgetown Medical													Salary																						
5		John Linehan, Richmond, VA													Consulting fee																			$5,000			
6																																				
7																																				
8																																				
9																																				
10																																				

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370-210

SF 278 (Rev. 1/87)
5 CFR Chapter XVI
U.S. Office of Personnel Management

SEP 10 PM ... Form Approved OMB No. 3209-0016

Reporting Individual's Name
BAYER, Michael J.

* Page Number	4	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

ID No.	Example:	Identification of Assets	Type of Transaction (X) Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	$250,001-$500,000	Over $500,000
		X Y Z Common	X			2/1/83			X			
1		not applicable (MB 9-10-92)										
2												
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. Exclude transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), exclude gifts from relatives and exclude gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☐

ID		Source (Name and Address)	Brief Description	Value
B	Example:	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$900
	Example:	Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1		not applicable (MB 9-10-92)		
2				
3				
4				
5				
6				

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278-105

SF 278 (Rev. 1-87)
OPM Chapter 735
U.S. Office of Personnel Management

Reporting Individual's Name: BAYER, Michael J.

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Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE [X]

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC	Example:	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	20 yrs.			X		
	Example:	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1											
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE [ ]

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example:	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	1/78 partnership agmnt.
	Pursuant to previous employment with Panhandle Eastern, a small vested employee	Panhandle Eastern Corporation, Houston,	11/85 started
	retirement benefit, managed by another entity for Panhandle Eastern is available	Texas, Herb Schultz, Vice President for	1/90 vested
	for withdrawal after my 55th birthday. Entitled to pension at age 65 of less	Personnel	
	than $500 month (widely diversified).		

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FPM 735

SF 278 (Rev. 1/97)
Office Chapter 734
U.S. Office of Personnel Management

Form approved
OMB No. 3209-0002

Reporting Individual's Name
BAYER, Michael J.

Page Number	6	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples: Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83
Source Theater of Washington	Non-profit Theater	Chairman of the Board	3/89	Present
National Guard Assn. of the United States	Non-profit, public interest	Vice Chairman, Strategic Planning Committee	6/88	Present
Panhandle Eastern	Energy Resource Development	Manager, Washington Operations Office	11/85	1/90

Part II
Compensation in Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

Source (Name and Address)	Brief Description of Duties
Examples: Doe Jones & Smith, Hometown, USA	Legal services
Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
Panhandle Eastern Corporation, Houston, TX	Manage lobbying/Congressional Affairs Office
John Linehan, Richmond, VA	consulting fee--truck tank manufacturer

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278-1/99

Executive Level Position Statement

Position Title: Federal Inspector, Alaska Natural Gas Transportation System

Grade: EL-III - Presidential Appointee

The Office of the Federal Inspector for the Alaska Natural Gas Transportation System was established by the President by Reorganization Plan No. 1 of 1979 dated June 12, 1979, and the Alaska Natural Gas Transportation Act dated October 22, 1976.

The Federal Inspector has exclusive responsibility for all functions as they relate to enforcement of terms, conditions, and stipulations of grants, certificates, permits and other authorizations issued by Federal agencies with respect to the Alaska Natural Gas Transportation System (ANGTS). This responsibility extends to all Federal statutes relevant to any manner to pre-construction, construction and initial operation of ANGTS. The Federal Inspector is also charged with responsibility for coordinating the expeditious discharge of permitting and other authorization functions of the various Federal agencies. The Federal Inspector acts as a focal point, "one window," for the submission of applications and the coordination of agency processing and issuance of permits, grants, certificates and other Federal authorizations related to ANGTS.

The Federal Inspector is appointed by the President as Head of an independent establishment in the Executive Branch and reports to the President.

JUN 0 3 1986

Michael Joseph Bayer

Michael Bayer began his career in public service in 1977 after receiving a J.D. from Capital University School of Law. Appointed as Counsel to Representative Clarence J. Brown of Ohio, he went on to serve as the Congressman's Executive Assistant until 1981.

Leaving the Hill, Bayer joined the administration of President Ronald Reagan as Deputy Assistant Secretary for Congressional Affairs at the U.S. Department of Energy. Continuing in the Executive branch in 1982, Bayer became The Associate Deputy Secretary of Commerce serving with Secretary Malcolm Baldridge until 1983.

With the announcement of the President's intention to seek re-election Mike Bayer was asked by the Republican National Committee to direct the development of all opposition and issues research for the 1984 campaign. This included staffing and support management for the Presidential and Vice Presidential debates.

In November of 1984, Bayer returned to the energy field by accepting the position as counsellor to the United States Synthetic Fuels Corporation.

Bayer went on to manage federal relations for the Panhandle Eastern Corporation, a Fortune 200 company, where he was responsible for the company's public affairs efforts in Washington DC. In late 1983, Bayer was called back to politics by the campaign of George Bush. He again headed the team responsible for Presidential debate preparation, as well as issues research. This led to an assignment in the Office of Presidential Transition where Bayer advised then Secretary-designate Mosbacher on policy and budget issues.

In January of 1990, Mike Bayer was named Counsellor to the Commission on Aviation Security and Terrorism at the White House. There he has been responsible for organizing a comprehensive investigation of domestic and international aviation security systems. This work produced the recommendations contained in the Commission's report to the President delivered in June of this year.

A Colonel in the United States Army Reserve, Bayer serves on numerous Boards and has been a guest lecturer at the Harvard Business School and the National War College. Married to Dr. Barbara M. Bayer, the Bayer's have two sons and live in Potomac, Maryland.

Department of Energy
Washington, DC 20585

October 18, 1990

The Honorable J. Bennett Johnston
Chairman
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Please be advised that, pursuant to section 201(b) of the Ethics in Government Act of 1978, as amended, and implemented by 5 C.F.R. 2634.604(d), I have informed the appropriate ethics officials that the information required by section 202(a)(1)(A) of the Act with respect to income and honoraria contained in the Standard Form 278 (Financial Disclosure Report) executed by me on September 10, 1990, is current as of October 18, 1990. This date is within five days prior to the date of the first hearing scheduled to consider my nomination.

Sincerely,

Michael J. Bayer

District of Columbia ss

Subscribed and sworn to before me this 18th day of October, 1990

Notary Public
My Commission Expires November 14, 1994

cc: The Honorary James A. McClure
Ranking Minority Member

Mr. Stephen D. Potts
Director, Office of Government Ethics

Ralph D. Goldenberg
Assistant General Counsel for General Law

APPENDIX II

Responses to Additional Questions From Michael J. Bayer

QUESTIONS SUBMITTED BY CHAIRMAN JOHNSTON

Question 1: Have you ever been investigated, arrested, charged or held by any Federal, States or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offence? If so, please explain.

Answer: No.

Question 2: Have you ever been convicted (including a plea of guilty or nolo contendere) of any criminal violation other than a minor traffic offence?

Answer: No.

Question 3: Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or there professional group? If so, provide details.

Answer: Yes, the District of Columbia Court of Appeals, Board of Professional Responsibility: Bayer/Kenneally Docket # 382-89; The Supreme Court of Ohio Desciplinary Counsel: Bayer/Kenneally # 8909-825. These were two complaints brought by the same individual involving the same allegations. Following an investigation by the Courts, both actions were dismissed for lack of merit.

Question 4: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government?

If so, please fully describe such relationship.

Answer: No.

Question 5: If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so please fully describe such relationship.

Answer: No.

Question 6: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: No.

Question 7: Have you or your spouse ever registered under foreign Agents Registration Act? If so, please furnish details.

Answer: No.

Question 8: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing: If not, please explain.

Answer: Yes, with an extension for 1989.

Question 9: Have all your Federal, State, and local taxes always been paid on time? If not, please explain.

Answer: Yes.

Question 10: If confirmed, are there any known limitations on your willingness or ability to serve for your full term

or until the next Presidential election, whichever is applicable?

Answer: No.

Question 11: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: None.

Question 12: The Federal Inspector is the head of an independent establishment in the Executive Branch and reports to the President.

The last Federal Inspector was also an Assistant Secretary of Energy. His duties as Assistant Secretary were full-time. Among other things this saved the taxpayers money.

It appears unlikely that there will be much activity relating to the Alaska Natural Gas Transportation System in the near future. What will you do to occupy your time?

Answer: I will devote all the time that is required to fulfill my statutory responsibilities as the Federal Inspector for the Alaska Natural Gas Transportation System. I may receive additional assignments from the Secretary of Energy which will not conflict with my statutory obligations as Federal Inspector which will occupy any additional available time.